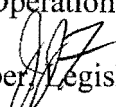


MEMORANDUM

TO: Government Operations and Fiscal Policy Committee

FROM: Justina J. Ferber  Legislative Analyst

SUBJECT: Executive Regulation 11-10AM, Amendments to Montgomery County Personnel Regulations, Employee Training and Tuition Assistance

The following representatives from the Office of Human Resources (OHR) will join the Committee for the discussion: Joseph Adler, Director; Stuart Weisberg; and Anita Brady.

Background

The Government Operations and Fiscal Policy (GO) Committee will consider the Executive's proposed amendments to the Montgomery County Personnel Regulations (MCPR) to amend Section 14 related to the administration of the employee development and tuition assistance program by providing increased accountability and better safeguards. Proposed Regulation 11-10 was amended by the Executive as a result of the comments of the GO Committee at its January 2011 worksession on the regulation. Executive Regulation 11-10AM replaces ER 11-10.

After reviewing Proposed Regulation 11-10 in January, the GO Committee was concerned that the regulation would not allow employees to use tuition assistance to make a career change and might not sufficiently address issues related to providers and discounted merchandise. More detailed discussion of these issues and OHR responses follow on pages 2 and 3.

Summary of 11-10AM

Executive Regulation 11-10AM adds language to:

- 1) ensure that tuition assistance applies to education related to the employee's current job function or career ladder or to make a career change to another position within county government;
- 2) ensure that tuition assistance applies to training related to the employee's current job function or career ladder in county government;
- 3) ensure training is offered by an accredited provider;
- 4) disallow use of tuition assistance funds for 1) providers that offer credit by examination courses, 2) courses taken outside the US, and 3) courses that are primarily recreational or that utilize a faith-based method as a primary approach to problem solving or treatment;
- 5) require the employee to complete the course with a passing grade or reimburse the County and submit final grades to OHR;

- 6) require participation on the employee's off-duty hours or on approved leave other than Administrative Leave or Professional Improvement Leave;
- 7) require written approval from a department director prior to submission to OHR; and
- 8) clarify that denial of assistance because all funds have been allocated is not grievable.

January 2011 GO Meeting on Executive Regulation 11-10

The GO committee met on January 24 to discuss proposed Personnel Regulation 11-10 and asked that OHR reevaluate the proposed regulation as a result of the discussion. There were several issues of specific concern to Committee members:

- **Concern: Employees would not be able to use tuition assistance to make a career change.** The original amendments to 14-1(c)(6) limited tuition assistance to training or education directly related to the employee's current job functions or career ladder. This was inconsistent with current Personnel Regulation 14-1(3)(B)(ii) which states that employee development activities funded by the County must be directly related to a field of study that will prepare the employee to make a career change within the County. Committee members noted that it has been a goal of the County to encourage employees in nonprofessional positions to seek to develop their education and training and transition into professional positions in County government. Committee members did not want to limit tuition assistance to an employee's current job.

Response:

Proposed Regulation 11-10AM adds language that ensures tuition assistance applies to education related to an employee's current job function or career ladder in the same job or series or profession or *that will prepare the employee to make a career change to another position within Montgomery County government.*

The Committee requested staff to solicit comments from County Unions and the Inspector General (IG) on ER11-10. Responses from Unions indicated "no comment" because the regulation only applies to non-union employees. The previous IG (Dagley) had no comment; the current IG was informed of the GO discussion and given background materials for comment.

- **Concern: The accredited provider provision may be too broad.** The amendment under 14-1(c)(7) limits tuition assistance funds for training or education offered by an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education) college or university; professional, scientific, or technical institutes; or organization or component of an organization, including a government agency or business that offers courses or training. Committee members were concerned that this definition of provider might be too broad.

Response:

OHR offered the following comments: OHR conducted an examination to determine the breadth of institutions or businesses that are accredited which included: review of over 30 public and private industry organization's tuition assistance vendor approval processes, review of recommendations from Internal Audit and Inspector General Tuition Assistance

recommendations, and on-going discussions with representatives from the Office of the County Attorney, Office of Procurement, and the Office of Finance concerning the vendor approval process. As part of this process, OHR identified and reviewed a United States Department of Education searchable database of over 6,900 postsecondary institutions and programs accredited by accrediting agencies or state approval agencies recognized by the U.S. Secretary of Education. The process of seeking and renewing recognition from the Department of Education is a demanding one for accrediting agencies.

Accreditation of an institution or program by a recognized accrediting agency provides a reasonable assurance of quality and acceptance by employers of diplomas and degrees. The Department of Education believes that the list will be a helpful tool for employers evaluating education credentials and for consumers making decisions about postsecondary institutions to attend.

In addition, to the United States Department of Education accreditation database, OHR has developed internal checklists and processes to ensure due diligence and increased management oversight in review of all TAP applications, educational institutions, and businesses. The County also negotiated changes in the MCGEO collective bargaining agreement to ensure tighter program controls and accountability.

The language regarding providers of non degree programs was strengthened. Proposed Regulation 11-10AM adds language that ensures tuition assistance funds for employees who are not enrolled in degree programs only when the training or education directly relates to the employees current job functions or career ladder in the same job series or profession and provided by an accredited college (as determined by an accrediting agency recognized by the U.S. Secretary of Education) or university, vocational or business school; professional, scientific or technical institute; or organization or component of an organization, including a government agency or business that offers courses or training.

- **Concern:** The amendments may not remedy all the tuition assistance flaws that have been identified, especially discounted merchandise offered by providers. The Committee was resolute that OHR scrutinize any merchandising. OHR noted that some meals or books are included with courses and they could not delete merchandising all together but would monitor the merchandising closely. The Director was confident that the steps outlined in the November 2, 2010 memo to the MFP Committee would address concerns related to fraud, waste and abuse.

Response:

OHR responded that the Executive branch is satisfied that this regulation addresses the tuition assistance issues that have arisen. They referred to the Office of Human Resources Tuition Assistance Program Action Plan for implementing the recommendations identified through the Internal Audit process by Cherry, Bekaert & Holland, L.L.P. Changes identifying revisions to County law, personnel regulations, or collective bargaining agreements are being addressed.

Copies of the November 2, 2010 memo to the MFP Committee, the CountyStat evaluation of Tuition Assistance Program and the OHR Action Plan are attached.

The Executive's original transmittal memorandum noted that the regulation was advertised in the August 2010 issue of the *Montgomery County Register* and the Merit System Protection Board (MSPB) reviewed the regulation and provided comments. A fiscal impact statement indicating no fiscal impact was also included. Funding for the tuition assistance program is limited to funds budgeted for this purpose. For FY12 \$135,000 was appropriated for Tuition Assistance for County Police.

Council Staff Recommendations

Council Staff recommends the Committee request an annual evaluation of the Tuition Assistance Program including a list of classes taken by all employees using the program, identification of problems that have arisen, and recommendations for any additional changes in personnel regulations or other remedies. The evaluation should be submitted to the GO Committee in time for its worksession on the OHR departmental operating budget.

Council Staff recommends GO Committee approval of Executive Regulation 11-10AM for adoption by the Council.

This packet contains:

	<u>circle #</u>
Transmittal Memorandum 11-10AM	1
Regulation 11-10AM, bracketed and underlined	4
Regulation 11-10AM, clean copy	10
November 2, 2010, memo to the MFP Committee	15
CountyStat Evaluation of Tuition Assistance Program	17
OHR Action Plan	52

EXEC REG



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

JF
CC
SBF
LL
JG

Isiah Leggett
County Executive

065383

MEMORANDUM

November 1, 2011

TO: Valerie Ervin, President
Montgomery County Council

FROM: Isiah Leggett, County Executive *[Signature]*

SUBJECT: Executive Regulation 11-10AM, Employee Training and Tuition Assistance

Method 1

This regulation amends Section 14 of the 2001 Montgomery County Personnel Regulations to improve the administration of the employee development and tuition assistance program by providing increased accountability and better safeguards.

At a Government Operations and Fiscal Policy Committee meeting earlier this year, committee members expressed concern that under this regulation an employee would no longer be able to use tuition assistance to make a career change. We have attempted to address that concern while at the same time preventing misuse or abuse of tuition assistance. Executive Regulation 11-10AM provides that an employee enrolled in a degree program may use tuition assistance funds to pay for a course for which the employee receives credit toward a degree in a field of study that will prepare the employee to make a career change to another position within the Montgomery County Government. However, an employee who is not enrolled in a degree program may use tuition assistance funds only when the training or education directly relates to the employee's current job functions or career ladder in the same job series or profession. Accordingly, I am resubmitting Executive Regulation 11-10AM with these amendments for your review and approval.

IL:lf

Attachments (2)

RECEIVED
MONTGOMERY COUNTY
COUNCIL

21 NOV - 1 PM 3:24

Provided - Required?



OFFICE OF MANAGEMENT AND BUDGET

Isiah Leggett
County Executive

Joseph F. Beach
Director

MEMORANDUM

September 27, 2010

TO: Joseph F. Beach, Director, Office of Management and Budget
VIA: Alex Espinosa, Management and Budget Manager
VIA: John Cuff, Management and Budget Specialist
FROM: Lori O'Brien, Management and Budget Specialist
SUBJECT: Executive Regulation 11-10, Employee Training and Tuition Assistance

REGULATION SUMMARY

The proposed regulation amends Section 14 of the 2001 Montgomery County Personnel Regulations to improve the administration of the employee training and tuition assistance program by providing increased accountability and more safeguards.

The regulation adds language that ensures that the tuition assistance applies to training or education related to the employee's current job function or career ladder in the same job series or profession and that the training is offered by an accredited educational provider. It also adds language disallowing use of tuition assistance funds for providers that offer credit by examination courses (where credit is given solely by taking an examination), for courses taken outside the United States, for courses that are primarily recreational, or for courses that utilize a specific faith-based approach to problem solving or treatment. The person taking the course must complete the course with a passing grade or reimburse the County for the tuition assistance provided.

The proposed regulation also requires written approval from a department director prior to submission to Office of Human Resources (OHR) and clarifies that a grievance following the denial of tuition assistance may be filed (alleging capricious and arbitrary action by the County), but that denial of assistance because all funds have been allocated is not grievable.

FISCAL AND ECONOMIC SUMMARY

The proposed regulation has no fiscal or economic impact. Funding for tuition assistance is limited to funds budgeted for this purpose. In addition, per recipient funding levels are limited through collectively bargained agreements. These regulations are not intended to provide assistance beyond what is provided in the budget or the collective bargaining agreements, but is intended to make more efficient use of the funds that are provided. In addition, the legislation has no significant economic impact; it affects very few people and the assistance payments are small relative to the Montgomery County economy as a whole.

Office of the Director

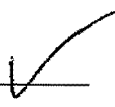
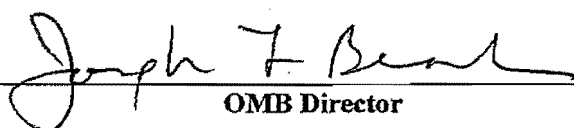
Joseph F. Beach
September 27, 2010
Page 2

The following contributed to and concurred with this analysis: Lori O'Brien, Office of Management and Budget, Stuart Weisberg, Office of Human Resources, and Michael Coveyou, Department of Finance.

LOB:df

c: Kathleen Boucher, Assistant Chief Administrative Officer
Lynn Frost, Offices of the County Executive
Joseph Adler, Director, Office of Human Resources
Jennifer Barrett, Director, Department of Finance
Michael Coveyou, Department of Finance
Stuart Weisberg, Office of Human Resources
Lori O'Brien, Office of Management and Budget
John Cuff, Office of Management and Budget

OMB REVIEW

 Fiscal Impact Statement approved 
OMB Director

_____ Fiscal Impact Statement not approved, OMB will contact department to remedy.



MONTGOMERY COUNTY EXECUTIVE REGULATION

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COPY

Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

Employee Training and Tuition Assistance

Executive Regulation No. 11-10AM

Issued by: County Executive

Supersedes: Executive Regulations No. 12-00AM II, in part,
and No. 26-07AM

Authority: Montgomery County Code, 2004, §33-7(b)
Council review: Method 1

Montgomery County Register Volume 27, Issue 8
Comment deadline: August 31, 2010

Effective date: _____

Summary: This regulation amends Section 14 of the 2001 Montgomery County Personnel Regulations to improve the administration of the employee development and tuition assistance program by providing increased accountability and more safeguards.

Address for comments Office of Human Resources, Executive Office Building, 7th Floor
101 Monroe Street, Rockville, Maryland 20850

Staff contact: Stuart Weisberg, 240-777-5154, or stuart.weisberg@montgomerycountymd.gov

Please use the key below when reading this regulation:

Boldface

Heading or defined term.

Underlining

Added to existing regulation by proposed regulation.

[Single boldface brackets]

Deleted from existing regulation by proposed regulation.

Double underlining

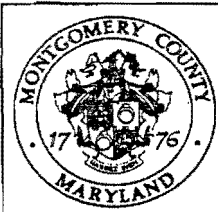
Added by amendment.

[[Double boldface brackets]]

Deleted from existing or proposed regulation by amendment.

* * *

Existing language unchanged by executive regulation.



MONTGOMERY COUNTY EXECUTIVE REGULATION

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COPY

Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

SECTION 14. EMPLOYEE DEVELOPMENT

14-1. **OHR-administered training.** The OHR Director administers a centralized employee development and tuition assistance program for County employees to facilitate their professional and personal development.

* * *

(c) *Employee tuition assistance.*

* * *

[[(6) The OHR Director may approve the use of OHR-administered tuition assistance to pay for training or education directly related to[:] the employee's current job functions or career ladder in the same job series or profession.

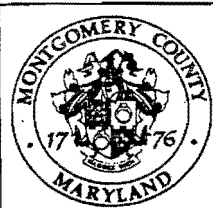
[(A) the employee's current County work or normal career progression;
or

(B) a field of study that will prepare the employee to make a career change within the County.]

(7) The OHR Director may approve the use of OHR-administered tuition assistance funds for training or education offered by an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education) [a public or private]:

(A) vocational or business school;

(B) college or university;



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Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

- (C) professional, scientific, or technical institute; or
- (D) organization or component of an organization, including a government agency or business, that offers courses or training.]]

(6) The OHR Director may approve the use of OHR-administered tuition assistance for an employee currently enrolled in a degree program at an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education) college or university, or vocational or business school to pay for a course for which the employee receives credit toward a degree in a field of study:

- (A) related to the employee's current County job functions or career ladder in the same job series or profession; or
- (B) that will prepare the employee to make a career change to another position within the Montgomery County Government.

(7) The OHR Director may approve the use of OHR-administered tuition assistance funds for employees who are not enrolled in degree programs only when the training or education directly relates to the employee's current job functions or career ladder in the same job series or profession. Such training or education must be provided by an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education):

- (A) college or university;
- (B) vocational or business school;



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Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

(C) professional, scientific, or technical institute; or

(D) organization or component of an organization, including a
government agency or business, that offers courses or training.

* * *

(9) Only the cost of tuition [and other direct or compulsory costs of the course such as matriculation, registration, laboratory, and library services are] is covered by tuition assistance.

(10) The following do not qualify for tuition assistance:

(A) credit courses taken on an audit (i.e., no grade) basis;

(B) books, supplies, and application fees, or extra fees such as late registration or library book returns, parking, travel, food, lodging, and other costs incidental to the credit courses;

(C) if the tuition assistance benefit would duplicate benefits received for the same educational activity under other programs such as scholarships, veterans benefits, and the Maryland State Fire Association;

(D) credit by examination courses (courses in which credit is obtained solely by taking an examination);[[D]] [and]

(E) examination fees[.];

(F) courses taken outside the United States; and



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Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

(G) courses which are primarily recreational, or utilize a specific faith-based method as a primary approach to problem solving or treatment;

[[H) courses for a degree from an educational institution not accredited by an accrediting agency recognized by the U.S. Secretary of Education.]]

(11) An employee receiving tuition assistance must participate in the educational activity:

(A) during the employee's off-duty hours; or

(B) [on a flexible work schedule; or]

[(C)] on approved leave, other than administrative leave or Professional Improvement Leave (PIL).

(12) [If an employee does not complete the course work successfully, the employee must reimburse the County in full for all tuition assistance paid by the County for the activity.]

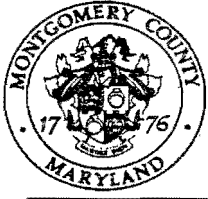
An employee receiving tuition assistance must complete the course(s) with a passing grade. Otherwise, the employee must reimburse the County for the amount of the County's tuition assistance. Final grades must be provided to OHR upon completion of the course.

* * *

(14) The OHR Director may approve tuition assistance for a probationary employee. The OHR Director must not give tuition assistance to the employee until the employee:

(A) pays the tuition [and compulsory fees];

(B) attains merit system status; and



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Subject Employee Training and Tuition Assistance	Number 11-10AM
Originating Department Office of Human Resources	Effective Date

(C) provides evidence of successful course completion.

(15) An employee must receive written approval from a department director prior to submitting a tuition assistance request to OHR for review.

(16) Subject to (17) below, an employee whose request for tuition assistance is not approved may file a grievance under Section 34. The employee must show that the action was arbitrary and capricious.

(17) The denial by OHR of an employee request for tuition assistance on the basis that all tuition assistance funds for the year have been allocated is not grievable.

* * *

Approved: Isiah Leggett
Isiah Leggett, County Executive

11/1/11
Date

Approved as to form and legality:

David Stevenson 10/27/11
Office of the County Attorney Date



MONTGOMERY COUNTY EXECUTIVE REGULATION

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COPY

Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

Employee Training and Tuition Assistance

Executive Regulation No. 11-10AM

Issued by: County Executive

Supersedes: Executive Regulations No. 12-00AM II, in part,
and No. 26-07AM, in part

Authority: Montgomery County Code, 2004, §33-7(b)
Council review: Method 1

Montgomery County Register Volume 27, Issue 8
Comment deadline: August 31, 2010

Effective date: _____

Summary: This regulation amends Section 14 of the 2001 Montgomery County Personnel Regulations to improve the administration of the employee development and tuition assistance program by providing increased accountability and better safeguards.

Address for comments Office of Human Resources, Executive Office Building, 7th Floor
101 Monroe Street, Rockville, Maryland 20850

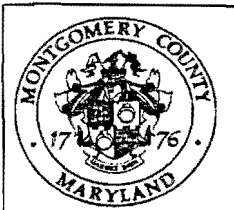
Staff contact: Stuart Weisberg, 240-777-5154, or stuart.weisberg@montgomerycountymd.gov

Please use the key below when reading this regulation:

Boldface
* * *

Heading or defined term.

Existing language unchanged by executive regulation.



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COPY

Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

SECTION 14. EMPLOYEE DEVELOPMENT

14-1. **OHR-administered training.** The OHR Director administers a centralized employee development and tuition assistance program for County employees to facilitate their professional and personal development.

* * *

(c) *Employee tuition assistance.*

* * *

- (6) The OHR Director may approve the use of OHR-administered tuition assistance for an employee currently enrolled in a degree program at an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education) college or university, or vocational or business school to pay for a course for which the employee receives credit toward a degree in a field of study:
- (A) related to the employee's current County job functions or career ladder in the same job series or profession; or
 - (B) that will prepare the employee to make a career change to another position within the Montgomery County Government.
- (7) The OHR Director may approve the use of OHR-administered tuition assistance funds for employees who are not enrolled in degree programs only when the training or education directly relates to the employee's current job functions or career ladder in the same job series or profession.



MONTGOMERY COUNTY EXECUTIVE REGULATION

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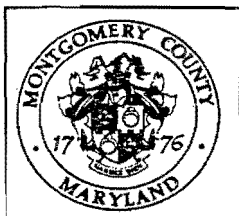
Subject	Employee Training and Tuition Assistance	Number	11-10AM
Originating Department	Office of Human Resources	Effective Date	

Such training or education must be provided by an accredited (as determined by an accrediting agency recognized by the U.S. Secretary of Education):

- (A) college or university;
- (B) vocational or business school;
- (C) professional, scientific, or technical institute; or
- (D) organization or component of an organization, including a government agency or business, that offers courses or training.

* * *

- (9) Only the cost of tuition is covered by tuition assistance.
- (10) The following do not qualify for tuition assistance:
 - (A) credit courses taken on an audit (i.e., no grade) basis;
 - (B) books, supplies, and application fees, or extra fees such as late registration or library book returns, parking, travel, food, lodging, and other costs incidental to the credit courses;
 - (C) if the tuition assistance benefit would duplicate benefits received for the same educational activity under other programs such as scholarships, veterans benefits, and the Maryland State Fire Association;
 - (D) credit by examination courses (courses in which credit is obtained solely by taking an examination);
 - (E) examination fees;
 - (F) courses taken outside the United States; and



MONTGOMERY COUNTY EXECUTIVE REGULATION

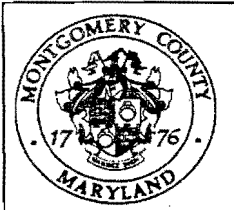
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COPY

Subject	Employee Training and Tuition Assistance	Number	11-10AM
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- (G) courses which are primarily recreational, or utilize a specific faith-based method as a primary approach to problem solving or treatment.
- (11) An employee receiving tuition assistance must participate in the educational activity:
 - (A) during the employee's off-duty hours; or
 - (B) on approved leave, other than administrative leave or Professional Improvement Leave (PIL).
- (12) An employee receiving tuition assistance must complete the course(s) with a passing grade. Otherwise, the employee must reimburse the County for the amount of the County's tuition assistance. Final grades must be provided to OHR upon completion of the course.

* * *
- (14) The OHR Director may approve tuition assistance for a probationary employee. The OHR Director must not give tuition assistance to the employee until the employee:
 - (A) pays the tuition;
 - (B) attains merit system status; and
 - (C) provides evidence of successful course completion.
- (15) An employee must receive written approval from a department director prior to submitting a tuition assistance request to OHR for review.
- (16) Subject to (17) below, an employee whose request for tuition assistance is not approved may file a grievance under Section 34. The employee must show that the action was arbitrary and capricious.



MONTGOMERY COUNTY EXECUTIVE REGULATION

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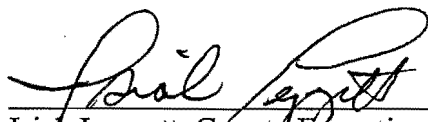
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Subject	Employee Training and Tuition Assistance	Number	11-10AM
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- (17) The denial by OHR of an employee request for tuition assistance on the basis that all tuition assistance funds for the year have been allocated is not grievable.

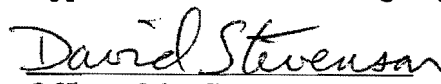
* * *

Approved:


Isiah Leggett, County Executive

11/1/11
Date

Approved as to form and legality:


Office of the County Attorney

10/27/11
Date



OFFICE OF HUMAN RESOURCES

Isiah Leggett
County Executive

Joseph Adler
Director

M E M O R A N D U M

November 2, 2010

TO: Duchy Trachtenberg, Chair
Management and Fiscal Policy Committee

FROM: Joseph Adler, Director
Office of Human Resources

SUBJECT: MCG Tuition Assistance Program Update

In FY11, the Office of Human Resources (OHR) management has strengthened its internal controls and management oversight of the tuition assistance program (TAP) in the following ways to ensure that all County funds are protected from fraud, waste, and abuse. Although the TAP is suspended in FY11 due to budget constraints, OHR has:

- Reviewed all policies, procedures, and forms governing the TAP program which resulted in a number of changes (discussed below) to strengthen the management oversight of the program.
- Established a second level of management review for all applications.
- Created an annual internal review process, including Standard Operating Procedures and Checklists for all TAP applications.
- Worked with CountyStat Office to evaluate the Tuition Assistance Program (see Attachment A).
- Implemented a revised process for obtaining course certificates of completion and grade reports from participants in the County's Tuition Assistance Program.

- Held several meetings with the Fraternal Order of Police, Lodge 35 to narrow the issue concerning the County's FY 10 suspension of the Tuition Assistance Program grievance arbitration filed by the union.
- Supported the Police Department's internal investigation to review timesheets for all police officers who attended TAP training courses in fiscal years 2007, 2008, and 2009.
- Developed an Action Plan and time line in response to an internal audit of the TAP for FY06-FY10 performed by Cherry, Bekaert & Holland, L.L.P. (see Attachment B).
- Revised the County's personnel policies and procedures for unrepresented employees based on recommendations from the Office of Inspector General (OIG) Report and the County's Internal Auditor's findings (see Attachment C).
- Negotiated changes in the United Food and Commercial Workers Local 1994, Municipal and County Government Employees Organization (MCGEO) collective bargaining agreement, which serves as a template for the other bargaining units, to ensure tighter program controls and accountability. As a result of these changes, the County lifted the suspension of the TAP for members of MCGEO Local 1994 as of December 15, 2009. These changes include:
 - Departmental Director signature on all Tuition Assistance Forms;
 - Itemized bill with all costs broken down to include tuition and all fees required at time of submission of application;
 - All course work must be held in the U.S.A.;
 - No funding of courses which are primarily recreational or utilize a specific faith based method as a primary approach to problem solving or treatment;
 - Approved Tuition Assistance funds are for tuition only. Compulsory fees such as registration, lab, library, or technology fees are not covered.

We look forward to participating in discussions relating to ways the TAP can continue to be enhanced in the future. As previously noted, in the County's response to the Office of Inspector General and Internal Auditor's reports, some identified changes would require revisions to County law, personnel regulations, or collective bargaining agreements.

If you have any additional questions, please contact me at 240-777-5100.

Attachments

Tuition Assistance Program

**Program Evaluation
Office of Human Resources
May 4, 2010**

COUNTYSTAT EVALUATION



CountyStat Principles

- **Require Data Driven Performance**
- **Promote Strategic Governance**
- **Increase Government Transparency**
- **Foster a Culture of Accountability**



Agenda

- **Welcome and introductions**
- **Description of the Tuition Assistance Program**
 - Program goals
 - Program participation
- **Evaluation design**
- **Findings**
 - General findings
 - By department
 - By employee age
 - By year of hire
 - By bargaining unit
- **Wrap-up and follow-up items**



Meeting Purpose

- Evaluate to what extent the Tuition Assistance Program is meeting its program goals



Tuition Assistance Program

- **Program goal:** Help the employee improve his/her job performance and career potential
- **The Tuition Assistance Program has two parts:**
 - **Job Improvement Program:** provides funding for individual courses for job improvement not leading to a degree
 - **Educational Assistance Program:** provides funding for courses leading toward a degree
- **Program guidelines:**
 - The program is available to regular, full-time and part-time Montgomery County employees
 - Program guidelines have been recently revised for MCGEO and Montgomery County Volunteer Fire Fighters. OHR is revising TAP Personnel Policies and Procedures for Non-Represented employees. The program is currently suspended for FOP, IAFF, and Non-Represented employees.
 - All course work must be completed with a passing grade or certificate of completion or the employee must reimburse the county
 - All course(s) must be taken during employee's off-duty hours
 - Employees who participate in the program agree to remain with the County for at least one to two years after course completion



Number of Participants and Courses By Fiscal Year FY03-FY10

Fiscal Year	Job Improvement		Educational Assistance		Total	
	Participants	Courses	Participants	Courses	Participants	Courses
2003	237	265	274	340	408	605
2004	289	340	276	349	467	689
2005	271	317	297	359	490	676
2006	260	295	309	372	518	667
2007	335	381	344	418	636	799
2008	335	379	332	406	616	785
2009	478	529	356	404	727	933
2010	129	143	272	303	338	446
Total	1,529	2,649	1,269	2,951	2,092	5,600



Data includes only approved courses where bill has either been paid or is in process.

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Program Expenditures by Fiscal Year FY03-FY10

Fiscal Year	Job Improvement	Educational Assistance	Total
2003	\$104,825	\$195,975	\$300,799
2004	\$168,794	\$241,307	\$410,101
2005	\$176,781	\$264,991	\$441,772
2006	\$172,823	\$310,224	\$483,047
2007	\$237,680	\$361,265	\$598,945
2008	\$339,104	\$387,424	\$726,529
2009	\$551,846	\$426,310	\$978,156
2010	\$116,075	\$346,012	\$462,087
Grand Total	\$1,868,632	\$2,533,508	\$4,402,140



Data includes only approved courses where bill has either been paid or is in process.

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Number of Participants by Department FY03-FY10

Dept.	Total personnel*	Number of participants			% of personnel participating
		Job Improve.	Education Assistance	Total	
MCPD	1,506	566	251	700	46.5%
HHS	1,356	254	213	394	29.1%
MCFRS	1,103	180	128	266	24.1%
DOCR	473	59	81	129	27.3%
DOT	1,323	49	91	125	9.4%
All other	2,210	149	180	291	13.2%
All	7,971	1,257	944	1,905	23.9%



* Number of active regular employees on 6/25/2007 that were still active on 4/8/2010.

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Number of Participants by Employee Age

Age Range	Total personnel*	Number of participants			% of personnel participating
		Job Improve.	Education Assistance	Total	
<30	513	122	88	191	37.2%
30-39	1,682	407	283	595	35.4%
40-49	2,511	401	330	626	24.9%
50-59	2,425	262	213	410	16.9%
60+	840	65	30	83	9.9%
All	7,971	1,257	944	1,905	23.9%



* Number of active regular employees on 6/25/2007 that were still active on 4/8/2010.

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Number of Participants by Year of Hire FY03-FY10

Year of Hire	Total personnel*	Number of participants			% of personnel participating
		Job Improve.	Education Assistance	Total	
<1980	482	45	27	60	12.4%
1980-1989	1,672	231	135	322	19.3%
1990-1999	2,353	437	308	636	27.0%
2000+	3,464	544	474	887	25.6%
All	7,971	1,257	944	1,905	23.9%



* Number of active regular employees on 6/25/2007 that were still active on 4/8/2010.

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Number of Participants by Bargaining Unit FY03-FY10

Bargaining Unit	Total personnel*	Number of participants			% of personnel participating
		Job Improve.	Education Assistance	Total	
IAFF	935	153	108	227	24.3%
FOP	1,003	509	179	591	58.9%
MCGEO - all	3,920	411	458	753	19.2%
OPT	2,906	378	406	680	23.4%
SLT	1,014	33	52	73	7.2%
Non-rep	2,112	184	199	334	15.8%
All	7,971	1,257	944	1,905	23.9%



* Number of active regular employees on 6/25/2007 that were still active on 4/8/2010.

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Evaluation Design Notes

- **Three measures of “job performance and career potential” were examined**
 - Retention rate
 - Salary growth
 - Grade advancement
- **All program participants from FY03-FY10 that were actively employed on 6/25/2007 were included in the analysis**
- **Salary and grade data was drawn from the Human Capital Management (HCM) system and reflects the status of current employees on two dates: 6/25/2007 and 4/8/2010**
 - Department, age, and bargaining unit analysis reflect the affiliations personnel had on 6/25/2007

Note that this evaluation examines the correlation between program participation and retention rate, salary growth, and grade advancement. This evaluation does not necessarily imply a causal relationship.



Findings: General Summary

- Overall, employees who participated in the Montgomery County Tuition Assistance Program had a higher retention rate, higher salary growth, and grade advancement than individuals who did not participate in the Tuition Assistance Program.
- MCPD had the highest participation in the Tuition Assistance Program followed by HHS, MCFS, DOCR, and DOT
- In terms of salary growth, most of the benefits are seen during or shortly after the individual's participation in the program. Employees who took classes in multiple years also see growth in their salary.
- It appears that different people of different ages or lengths of service use the TAP program in different ways.
 - Younger employees do not see additional salary growth but do see significant grade advancement
 - Longer-serving employees do not see salary growth or grade advancement but are retained at higher rates



Findings: General Summary

- **Employees participating in TAP through HHS had a higher retention rate than other employees who didn't participate in TAP.**
 - Many employees in HHS use TAP to take courses and seminars not leading to a degree to maintain their licensure.
 - In this way, TAP funds serve as an important retention tool in assisting HHS staff to fulfill their licensure requirements and may not be as strong incentive for grade advancement or salary growth within HHS.
 - By retaining “in demand” clinical professionals at greater rates, OHR reduces the hiring and training costs to the County of clinical professionals within HHS.
 - This is an area that OHR will need to further explore.

- **The results from this evaluation will be used as a baseline measure and OHR will work with CountyStat to evaluate the same measures every three years to continue to monitor key trends and issues.**



Findings: Retention Rate

- Retention rate shown is the percent of active regular employees on 6/25/2007 that were still active employees on 4/8/2010
- The difference in retention rate between the Job Improvement Program and the Educational Assistance Program is also statistically significant

Program Participation	Retention Rate
Job Improvement Program	92.2%
Educational Assistance Program	89.5%
Both	90.8%
None	85.1%
All employees	86.5%

Highlighted differences are statistically significant and are in comparison with personnel that did not participate in the program at all.



Findings: Salary Growth

- Compared annual base salary on 6/25/2007 with annual base salary on 4/8/2010
- Includes only employees that were active, regular employees on both dates
- The difference in salary growth between the two programs is not statistically significant

Program Participation	Average Salary Growth
Job Improvement Program	20.2%
Educational Assistance Program	20.6%
Both	20.2%
None	17.8%
All employees	18.4%

Highlighted differences are statistically significant and are in comparison with personnel that did not participate in the program at all.



Findings: Salary Growth Comparison by Year of Participation

- Salary growth has increased over the last seven fiscal years
- In terms of salary growth, most of the benefits are seen during or shortly after the individual's participation in the program
- Employees who took classes in multiple years also see growth in their salary

Year of participation	Average salary growth
FY03	17.3%
FY04	18.2%
FY05	19.1%
FY06	20.0%
FY07	20.9%
FY08	22.5%
FY09	22.8%
FY10	21.6%
Took classes in multiple years	20.8%
No participation	17.8%



Highlighted differences are statistically significant and are in comparison with personnel that did not participate in the program at all.

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Findings: Grade Advancement

- Compared employee grade on 6/25/2007 with employee grade on 4/8/2010
- Includes only employees that were active, regular employees on both dates
- Employees had to be within the same grade ladder to be categorized as “declined”, “same”, or “improved”
- Employees that changed grade ladders were categorized as “moved”
 - For example, moved from a grade 015 to a grade 0C4

Grade Movement	Non-participants	Participants
Declined	1.3%	1.1%
Same	77.7%	67.7%
Improved	16.3%	25.3%
Moved	4.7%	5.9%
Total personnel	6,066	1,905

Highlighted differences are statistically significant and are in comparison with non-participants



Findings: By Department Retention Rate

OHR Commentary on findings

- All Departments with employees participating in the TAP had a higher retention rate versus employees not participating in the program.
- DOCR, MCPD, MCFRS, HHS, and DOT had the highest retention rates for employees who participated in TAP versus those employees who did not.

Dept.	TAP Participant		Diff
	No	Yes	
MCPD	84.3%	93.3%	9.0%
HHS	83.1%	87.6%	4.5%
MCFRS	89.0%	94.7%	5.6%
DOCR	83.5%	92.8%	9.3%
DOT	85.5%	89.9%	4.4%
All other	85.0%	87.4%	2.4%
All	85.1%	91.1%	5.9%

Highlighted differences are statistically significant



Retention rate shown is the percent of active regular employees on 6/25/2007 that were still active employees on 4/8/2010

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Findings: By Department Salary Growth

OHR Commentary on findings

- MCPD, MCFRS, DOCR, DOT, and all other departments except HHS showed increased salary growth among TAP participants.
 - While HHS had no statistically significant salary growth overall, it did have a higher retention rate
 - HHS employees tend to take courses with the aim of retaining licensure rather than positioning themselves for career growth

Dept.	TAP Participant		Diff.
	No	Yes	
MCPD	18.4%	22.1%	3.7%
HHS	17.5%	17.5%	0.0%
MCFRS	17.5%	19.3%	1.8%
DOCR	20.1%	23.1%	2.9%
DOT	17.9%	19.6%	1.7%
All other	17.4%	20.1%	2.7%
All	17.8%	20.3%	2.5%

Highlighted differences are statistically significant



Percent growth: annual base salary on 6/25/2007 to annual base salary on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Department Grade Advancement

Dept	Non-participants		Participants		Difference		
	Improve	Moved	Improve	Moved	Improve	Moved	Total
MCPD	22.1%	2.2%	33.9%	1.9%	11.8%	-0.4%	11.4%
HHS	9.6%	1.7%	11.4%	0.8%	1.9%	-0.9%	1.0%
MCFRS	26.5%	1.9%	27.8%	5.6%	1.3%	3.7%	5.0%
DOCR	9.0%	50.6%	13.2%	55.0%	4.2%	4.5%	8.6%
DOT	13.3%	0.8%	24.8%	0.8%	11.5%	0.0%	11.6%
All other	15.9%	2.8%	26.8%	3.1%	10.9%	0.3%	11.2%
All	16.3%	4.7%	25.3%	5.9%	9.0%	1.2%	10.2%

Total differences shown highlighted are statistically significant



*Compared employee grade on 6/25/2007 with employee grade on 4/8/2010
Includes only employees that were active, regular employees on both dates*

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Findings: By Department Grade Advancement

OHR Commentary on findings

- Employees participating in TAP showed improved grade advancement overall than other County employees who did not participate in TAP.
- Overall employees participating in TAP showed a slight improvement in lateral movement in their career versus employees who did not participate in TAP.
- Movement and improvement of employees participating in TAP varies across departments.
- Employees utilize the TAP in different ways and derive different value from it.



Findings: By Employee Age Retention Rate

OHR Commentary on findings

- Employees participating in TAP showed increased retention over all age groups, particularly ages 50-59.

Age range	TAP Participant		Diff
	No	Yes	
<30	83.0%	86.8%	3.8%
30-39	86.3%	91.5%	5.2%
40-49	91.3%	92.7%	1.5%
50-59	85.8%	94.5%	8.7%
60+	71.2%	73.5%	2.2%
All	85.1%	91.1%	5.9%

Highlighted differences are statistically significant



Retention rate shown is the percent of active regular employees on 6/25/2007 that were still active employees on 4/8/2010

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Findings: By Employee Age Salary Growth

OHR Commentary on findings

- There are clear differences in the way different groups participate in TAP including age.
- As a percentage, employees in ages 30-49 participate in the TAP program more often than other groups.
- Employees over the age of 50 show no significant salary growth.

Age range	TAP Participant		Diff
	No	Yes	
<30	28.5%	29.0%	0.5%
30-39	22.9%	24.2%	1.4%
40-49	17.7%	18.3%	0.7%
50-59	15.1%	15.0%	0.0%
60+	13.6%	13.6%	0.0%
All	17.8%	20.3%	2.5%

Highlighted differences are statistically significant



Percent growth: annual base salary on 6/25/2007 to annual base salary on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Employee Age Grade Advancement

Age Range	Non-participants		Participants		Difference		
	Improve	Moved	Improve	Moved	Improve	Moved	Total
<30	54.7%	4.0%	81.2%	3.1%	26.5%	-1.2%	25.3%
30-39	25.9%	7.5%	30.9%	8.6%	5.0%	1.1%	6.1%
40-49	14.4%	5.5%	14.9%	6.9%	0.6%	1.2%	1.8%
50-59	11.2%	2.6%	11.2%	2.7%	0.3%	-0.2%	0.1%
60+	6.3%	2.4%	6.0%	0.0%	0.2%	-2.9%	-2.7%
All	16.6%	4.4%	25.4%	5.8%	9.0%	1.2%	10.2%

Total differences shown highlighted are statistically significant



Compared employee grade on 6/25/2007 with employee grade on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Employee Age Grade Advancement

OHR Commentary on findings

- **Grade advancement by participants of the TAP varies.**
- **Grade advancement is particularly strong in employees participating in TAP under 30 with a 25% increase in advancement over their counterparts.**
- **Employees over the age of 60 show no significant lateral movement grade advancement. This could be attributed being at the top of their pay grade or nearing retirement. Further examination is needed.**



Findings: By Year of Hire Retention Rate

OHR Commentary on findings

- Overall, employees who participated in the TAP had a higher retention rate than individuals who did not participate in the Tuition Assistance Program.
- Employees employed over 30 years had the highest retention rate.
- It appears that employees with different lengths of service use the TAP program in different ways and derive different value from it.

Year of Hire	TAP Participant		Diff
	No	Yes	
<1980	63.6%	77.9%	14.4%
1980-1989	86.3%	92.3%	6.0%
1990-1999	90.8%	93.4%	2.6%
2000+	85.8%	90.1%	4.3%
All	85.1%	91.1%	5.9%

Highlighted differences are statistically significant



Retention rate shown is the percent of active regular employees on 6/25/2007 that were still active employees on 4/8/2010

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Findings: By Year of Hire Salary Growth

OHR Commentary on findings

- Overall, employees who participated in the TAP had a higher salary growth rate than individuals who did not participate in the Tuition Assistance Program.
- Employees who participated in the TAP and were hired prior to 1989 had less salary growth than those hired after 1989.
 - This could be attributed to employees being at the top of their pay grade.

Year of Hire	TAP Participant		Diff
	No	Yes	
<1980	9.7%	10.3%	0.6%
1980-1989	11.4%	11.9%	0.6%
1990-1999	17.6%	19.4%	1.7%
2000+	22.6%	24.8%	2.1%
All	17.8%	20.3%	2.5

Highlighted differences are statistically significant



Percent growth: annual base salary on 6/25/2007 to annual base salary on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Year of Hire Grade Advancement

Year of Hire	Non-participants		Participants		Difference		
	Improve	Moved	Improve	Moved	Improve	Moved	Total
<1980	8.8%	2.8%	3.3%	0.0%	-6.6%	-1.7%	-8.3%
1980-1989	9.3%	2.7%	9.6%	3.7%	0.8%	0.5%	1.4%
1990-1999	10.9%	4.1%	12.4%	6.0%	1.5%	1.9%	3.4%
2000+	25.4%	5.8%	41.8%	6.9%	16.8%	0.7%	17.5%
All	16.6%	4.4%	25.4%	5.8%	9.0%	1.2%	10.2%

Total differences shown highlighted are statistically significant



*Compared employee grade on 6/25/2007 with employee grade on 4/8/2010
Includes only employees that were active, regular employees on both dates*

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Findings: By Year of Hire Grade Advancement

OHR Commentary on findings

- Overall, Participation in the TAP improves grade advancement and lateral movement for all County employees versus those who did not participate in the TAP.
- The TAP improves the grade advancement of employees who have been with the County most since 2000 or less compared to those who have not participated in the TAP.
- It appears that TAP has not improved the grade advancement for those employees who have been employed since before 1980 versus those who did not participate in the TAP.
 - This could be attributed to an employee reaching the top of his or her career ladder or nearing retirement.
 - The program affects retention rates in this group much more.
 - Further examination is needed to explore this issue.



Findings: By Bargaining Unit Retention Rate

OHR Commentary on findings

- All employees who participated in TAP, regardless of their bargaining unit and non-represented employees, had a 5.9% greater retention rate than those employees who did not participate in the TAP.
- MCGEO-SLT has over 10% retention rate, followed by FOP, Non-represented, IAFF, MCGEO-All, and MCGEO-OPT
 - However, MCGEO-SLT members participate at lower rates than members of other bargaining units

Bargaining Unit	TAP Participant		Diff
	No	Yes	
IAFF	90.3%	94.6%	4.3%
FOP	87.3%	93.4%	6.1%
MCGEO - all	85.8%	90.0%	4.1%
OPT	85.8%	89.4%	3.5%
SLT	85.9%	96.1%	10.1%
Non-represented	81.6%	87.4%	5.8%
All	85.1%	91.1%	5.9%

Highlighted differences are statistically significant



Retention rate shown is the percent of active regular employees on 6/25/2007 that were still active employees on 4/8/2010

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Findings: By Bargaining Unit Salary Growth

OHR Commentary on findings

- All employees who participated in the TAP showed more salary growth than those employees who did not participate in the TAP.
- FOP showed the most salary growth, for employees participating in the TAP compared to those employees who did not participate followed by MCGEO-SLT, IAFF, Non-Represented, MCGEO-OPT, MCGEO-All

Bargaining Unit	TAP Participant		Diff.
	No	Yes	
IAFF	17.4%	19.1%	1.7%
FOP	20.1%	22.8%	2.7%
MCGEO - all	17.9%	19.4%	1.5%
OPT	17.7%	19.3%	1.6%
SLT	18.3%	20.7%	2.4%
Non-represented	17.3%	18.9%	1.6%
All	17.8%	20.3%	2.5%

Highlighted differences are statistically significant



Percent growth: annual base salary on 6/25/2007 to annual base salary on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Bargaining Unit Grade Advancement

Bargain Unit	Non-participants		Participants		Difference		
	Improve	Moved	Improve	Moved	Improve	Moved	Total
IAFF	24.7%	2.0%	24.2%	6.2%	-0.5%	4.2%	3.7%
FOP	26.2%	3.4%	35.4%	1.9%	9.2%	-1.5%	7.6%
MC GEO - all	13.2%	5.4%	17.8%	8.8%	4.6%	3.4%	8.0%
OPT	15.1%	7.6%	18.2%	9.6%	3.1%	2.0%	5.1%
SLT	8.7%	0.1%	13.7%	1.4%	5.0%	1.3%	6.2%
Non-rep	17.0%	3.9%	25.4%	6.0%	9.1%	1.3%	10.4%
All	16.6%	4.4%	25.4%	5.8%	9.0%	1.2%	10.2%

Total differences shown highlighted are statistically significant



Compared employee grade on 6/25/2007 with employee grade on 4/8/2010
Includes only employees that were active, regular employees on both dates

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Findings: By Bargaining Unit Grade Advancement

OHR Commentary on findings

- **All bargaining units except FOP showed improved advancement and lateral movement. Non-represented employees showed improved advancement and lateral movement.**

- **This internal advancement and lateral movement with Montgomery County Government will help**
 - Reduce overall hiring costs
 - Assist in retaining institutional knowledge
 - Provide opportunities for internal promotion, career development, and cross-agency knowledge management.

- **FOP showed a -1.5% difference in movement as compared to those employees who did not participate in TAP but a 9.2% grade improvement.**



Wrap-Up

- Follow-up Items



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Attachment Tuition Assistance Action Plan and Time Line in
Response to Internal Audit Report



OFFICE OF HUMAN RESOURCES

Isiah Leggett
County Executive

Joseph Adler
Director

— MEMORANDUM

— September 3, 2010

TO: Timothy Firestine, Chief Administrative Officer

FROM: Joseph Adler, Director
Office of Human Resources

SUBJECT: Tuition Assistance Program Action Plan

Please find attached an action plan for the Tuition Assistance Program, based on recommendations made by the Internal Auditor. The Office of Human Resources worked closely with the Department of Finance staff in developing the action plan.

If you have further questions or need additional information, please contact me at extension 7-5010.

cc: Fariba Kassiri, ACAO
Jennifer Barrett, Director, Department of Finance
Karen Hawkins, COO, Department of Finance
Larry Dyckman, Internal Auditor

OHR Action Plan to Implement CBH Recommendations

September 2, 2010

Section I

Formalize and document administrative policies and procedures related to the review and approval of Tuition Assistance Program (TAP) applications. The policies and procedures should include the following:

Recommendation #1: Guidance for OHR and departmental reviewers for performing a rigorous TAP application review, including documents to be included with the applications and how to document evidence of review.

Action Plan: OHR has developed a new checklist for OHR staff for TAP application review and approval purposes. OHR is currently developing a new checklist and guidelines to assist department directors in reviewing and approving applications.

Timeline: February 1, 2011

Recommendation #2: Requirement to obtain itemized invoices/receipts from the applicant or course provider.

Action Plan: Recommendation completed by OHR. OHR negotiated changes in the MCGEO collective bargaining agreement, which serves as a template for the other bargaining units, to ensure tighter program controls and accountability. One of these changes is that employees applying for tuition assistance are required to provide itemized billing to include tuition and all fees at time of submission of application.

Timeline: Completed

Recommendation #3: Guidelines for approval in those instances where itemized invoices/receipts cannot be obtained or costs cannot be unbundled.

Action Plan: OHR is currently developing guidelines for approval in those instances where itemized invoices/receipts cannot be obtained or costs cannot be unbundled.

Timeline: March 1, 2011

Recommendation #4: Guidance regarding the propriety of course and seminar information provided by the applicant and a requirement that applicant provides information for all applications.

Action Plan: Recommendation completed by OHR. OHR negotiated changes in the MCGEO collective bargaining agreement, which serves as a template for the other bargaining units, to ensure tighter program controls and accountability. One of these changes is that employees applying for tuition assistance are required to provide course description with all Tuition Assistance Program Applications leading to a degree (ETAP) and those not leading to a degree (JTAP). This process will be expanded to include applications from all applicants.

Timeline: Completed

Recommendation #5: Document retention and file organization, including the development of a file tracking mechanism such as a file organization checklist to better ensure all files contain all required documentation including approvals.

Action Plan: OHR is in the process of developing a new file organization checklist for OHR staff to ensure all files contain all required documentation including approvals. This checklist is placed in each employee's TAP folder and will be used to enhance overall records management, file organization, and overall program oversight.

Timeline: December, 2010

Recommendation #6: Guidance related to recently implemented processes associated with MCGEO TAP participants.

Action Plan: OHR has developed Standard Operating Procedures and checklists to document processes associated with MCGEO TAP participants.

Timeline: Completed

Recommendation #7: Secondary OHR supervisory approval of all TAP applications.

Action Plan: Recommendation already initiated by OHR. OHR negotiated changes in the MCGEO collective bargaining agreement, which serves as a template for the other bargaining units, to ensure tighter program controls and accountability. One of these changes is Departmental Director Signatures are now required on all Tuition Assistance Forms for MCGEO members. OHR is currently revising Personnel Policies and Procedures for Non-Represented Employees to also include Departmental Director signature requirements for all TAP applications. Where the collective bargaining agreement does not call for this step, OHR will institute an internal procedure requiring departmental approval prior to any processing of the application by OHR. All applications are now also get reviewed by OHR management team for secondary approval.

Timeline: Completed

Section II

Formalize and document administrative policies and procedures related to the recovery of funds from terminated employees, including:

Recommendation #8: Defined policies for waiving amounts due to Montgomery County.

Action Plan: OHR will work with the Records Management Office and Labor Relations Office to define and develop a policy and procedures guideline for waiving amounts due to the County. The plan is to review all the separation reason codes currently is used by Record Management Office and determine which one are and are not waived due to the County. This action plan may require the revision of the existing County Personal Regulations based on continued research and analysis.

Timeline: April 1, 2011 —

Recommendation #9: Specific, objective guidelines for calculating recoverable pro-rata amounts.

Action Plan: OHR is currently working to develop a guidelines and a document (i.e. table) which shows the breakdown of the pro-rate amount due to the county based on when employees separated from the county. The plan is to develop with a standard formula to calculate the pro-rate recoverable amount due to the County. This action plan may require the revision of existing Personal Regulations.

Timeline: February 1, 2011

Recommendation #10: Tracking reimbursement receivables, cash collections and account aging.

Action Plan: Currently, the Department of Finance tracks amounts owed by employees to the County. The County's current payroll system has a specific deduction code for this purpose. At any time, Finance is able to report on an amount originally owed by an employee, the date at which Finance received correspondence indicating the debt, payments made against the debt, and the remaining balance. If an employee separates from County service prior to Finance completely collecting the debt, Finance will send the employee up to 3 "past due" letters to collect the debt. If the amount is not collected after the third letter, the debt is referred to the Office of the County Attorney for additional collection efforts. The plan has been for Finance to continue this process using the new Enterprise Resource Planning (ERP) system—that is, Oracle Payroll would have a specific pay deduction code for "Due County" and Finance would continue maintaining files on individual employees who owed the County. However, the current process does not allow for Finance to easily report on amounts owed by employees by type of debt, since Finance's records are not maintained by debt type—e.g., TAP, Salary Overpayment, unreturned equipment, etc—rather "Due County" files are organized by employee name.

OHR and the Department of Finance have initiated efforts, and will continue to work with the ERP team to determine the most efficient and effective way to facilitate OHR tracking and reporting on TAP related employee debt to the County, whether it is debt collected by lump sum payment or through payroll deduction. It is anticipated that any enhancements to the Oracle system and any significant changes to related business processes would likely be implemented after initial implementation of Oracle Payroll, which is scheduled to occur several months from now.

Timeline: April 1, 2011 for identification of solutions in new system; with estimated June 30, 2011 timing for implementation.

Section III

Enhance continuous monitoring processes for TAP:

Recommendation #11: In conjunction with County Stat, identify key compliance metrics that can be reviewed periodically to assist in program oversight and transparency.

Action Plan: OHR presented a comprehensive Tuition Assistance Program Evaluation based on analysis completed by CountyStat staff in FY10. In FY11, OHR will continue to work with CountyStat to identify and implement performance measures for the Tuition Assistance Program.

Timeline: TAP Program Evaluation completed in FY10; Performance Measures Implementation in March, 2011

Recommendation #12: Develop tracking and periodic update mechanism for course completion and grade information.

Action Plan: OHR has developed enhanced tracking mechanisms for course completion and grade information which will be implemented for FY12. OHR is currently developing an automated system to request certificate of completion and/or a grade report from employees. This automated system will send out e-mail to TAP participants with pending grades or course completion certificates in July and February during each fiscal year.

Timeline: February 1, 2011

Recommendation #13: In coordination with Finance, develop a mechanism to recover funds from existing employees that have not completed or submitted appropriate information within an appropriate timeframe to make funds available for others.

Action Plan: See response to #10

Timeline: April 1, 2011 for identification of solutions in new system; with estimated June 30, 2011 timing for implementation.

Recommendation #14: Online application system to include the addition of a data field for employees to provide course justification.

Action Plan: OHR will update the current TAP online application to include a field for course justification.

Timeline: March 1, 2011

Recommendation #15: Require that the TAP Authorization Letter be sent directly to the provider institution to ensure that the institution has knowledge of allowable and unallowable costs under the Program.

Action Plan: OHR disagrees with the recommendation. As an employee-initiated program, OHR does not believe that Tuition Assistance Program Authorization Letters should be sent directly to educational institutions or vendors. Vendors can only bill the County according to the Authorization Letter they receive from the employee who applied for the Tuition Assistance Program. As an employee-initiated process, the Tuition Assistance Program Authorization Letter is sent directly to the employees with instructions to submit it to the appropriate school or vendor for the course(s) they are attending. The document clearly explains steps to be taken by the employee to have the vendor bill the County. The Authorization Letter also clearly lists and states allowable and unallowable costs so vendors are clearly informed of these costs.

Timeline: *Not Applicable. See Recommendation #15 Action Plan above.*

Recommendation #16: Work with appropriate parties to ensure that TAP policies and procedures as established by OHR be strengthened for **all bargaining units** relating to areas involving internal controls deficiencies identified in this report such as documentation, supervisory or departmental approvals, and training justification.

Action Plan: OHR is currently working with the Department of Finance and the County Attorney's Office to obtain their input to help OHR ensure that TAP policies and procedures as established by OHR be strengthened for **all bargaining units** relating to areas involving internal controls deficiencies identified in this report such as documentation, supervisory or departmental approvals, and training justification.

Timeline: April 1, 2011

Tuition Assistance Program Action Plan												
	2010						2011					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
#1: Guidance for reviewers								◆				
#2: Required invoices/receipts	COMPLETE											
#3: Approval for unobtainable receipts									◆			
#4: Applicant course/seminar info	COMPLETE											
#5: Document retention and file organization						◆						
#6: MCGEO TAP process guidance	COMPLETE											
#7: Secondary OHR approval on app.	COMPLETE											
#8: Policies for waiving fees due to County										◆		
#9: Guideline calculations for recoverable pro-rata amounts								◆				
#10: Tracking reimbursement receivables and account aging										◆		◆
#11: Key compliance metrics for oversight and transparency									◆			
#12: Tracking for course completion and grades								◆				
#13: Recover funds from delinquent employees										◆		◆
#14: Online application needs course justification field									◆			
#15: Req. Authorization letter to provider institution	N/A											
#16: Ensure strong policies and procedures										◆		◆